

VALLEY CENTER MUNICIPAL WATER DISTRICT

A Public Agency Organized July 12, 1954

November 4, 2013

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Board of Directors

Mr. Peter Brostrom Water Use and Efficiency Branch California Dept. of Water Resources P.O. Box 942836 Sacramento CA 94236-0001

Subject: Independent Technical Panel on Demand Management Measures (ITP) -

Comments

Dear Mr. Brostrom;

Valley Center Municipal Water District, a water and wastewater agency located in North San Diego County, has been a long-time signatory to the Urban Water Best Management Practices MOU. The District has consistently pursued and implemented the Urban Best Management Practices and has complied with the Urban Water Management Practices reporting requirements. Most recently, we can report that we have not only met our mid-term SBX 7X requirements, but also our 20% by 2020 goals of reduced water use within our service area.

Consequently, it is with some knowledge and experience in the realm of water management efficiency that we would offer the following comments and perspectives on the work of the ITP and how it formulates its recommendations to DWR in compliance with the provisions of the chaptered version of AB 1420.

General Observations

As provided in AB 1420, the scope of the Independent Technical Panel's work is to provide information and recommendations to DWR and the Legislature on new demand management measures, technologies, and approaches. Unfortunately, it is our view that DWR has allowed the ITP to take an overly broad view of the scope of the panel. We base this assessment on the following:

- Many of the proposals on the table appear to go beyond the scope of the statute and are not appropriate. The most poignant example of this is the ITP continued consideration of NRDC's proposal to require imbedded energy calculation and reporting in the 2015 Urban Water Management Plan report.
- The DMM approach in the UWMP needs to align with and not ignore the requirements of SBX 7-7, which is existing law. In fact, from our perspective, the existence of the SBX 7-7 requirements exceed the Urban Water Management Practices BMP process and raise a serious question about the need for CWUCC, especially for those water agencies meeting the SBX 7-7 requirements.

Beyond these general observations, we would offer the following specific comments:

Simplified and Updated Reporting

 Much of what the ITP is considering would unnecessarily increase the scope and complexity of the required reporting.

Water agencies supported legislated conservation targets in an effort to provide accountability for achieving real conservation and to streamline regulatory oversight. In aligning with SBX 7-7, agencies that are on track to meet their targets should be allowed to simplify the UWMP water use efficiency requirements, rather than be burdened with more requirements. Simplified and updated reporting requirements will increase flexibility for conservation programs, and leave more resources for actual and more creative conservation program implementation, while at the same time retaining much needed accountability.

We would concede that for agencies not meeting their targets, more structure may be needed. However, for water agencies on track to meet or meeting the SBX 7-7 requirements, new DMMs should be optional.

Energy Intensity in Urban Water Management Plans

 "...provide assistance to water agencies in carrying out their long-term resource planning responsibilities to ensure adequate water supplies to meet existing and future demands for water." (Water Code section 10610.2(b))

Quantifying energy usage of supplies and using energy intensity as the criteria to determine the resources to meet future demands was clearly **not the legislative intent and is inconsistent with the letter and intent of the UWMP Act.** It is also duplicative of similar efforts ongoing at the CPUC.

Water suppliers are and should be focused on water supply reliability which can be achieved under potential climate change scenarios only by having a diversified water supply. Energy intensity used as a primary driver of supply development would overly emphasize implementation of water conservation measures and potentially de-emphasize reliable, high-quality supplies, such as groundwater, seawater desalination and potable reuse; thus, depriving the communities served of supply options that are the most appropriate for the unique needs and characteristics of their respective service areas.

As we all know, the assessment of energy use impacts is already required under California Environmental Quality Act (CEQA) and the Global Warming Solutions Act (AB 32). Water agencies must already consider the energy intensity (or usage) of potential water supply projects in planning and project level evaluations to estimate costs and GHG emissions. *There is no need to duplicate this in the UWMP*.

Partnerships between water and energy providers, as have been suggested in the ITP, should be encouraged through an optional DMM.

Avoided Cost of Water

SBX 7-7 establishes legal targets for water conservation regardless of cost effectiveness and, as such, this factor is not relevant to a water agency in achieving the State's conservation goals.

Agencies may choose to use avoided costs and cost effectiveness as a tool among many for assessing and selecting conservation programs, but this calculation should be left to *local discretion* and *not* be mandated in the UWMP.

Projected Savings from Codes

This mandate would clearly add more costs to water agency administration borne by ratepayers without adding to the water agency's ability to carry out long-term resource planning responsibilities or ensure adequate water supplies to meet existing and future demands for water.

In an era of declining water revenues and tightening budgets associated with increasing levels of water conservation, limited resources must be focused on effective efforts. Estimating conservation results from multiple codes, often administered by other entities, adds nothing to actual, on the ground, conservation efforts and is an unaffordable waste of resources.

Landscape Conservation

In a similar vain to the comment above, tabulation of the details of local jurisdiction landscape ordinances is not relevant to water supply assessment since local ordinances should be at least as effective as the State Model Ordinance.

Providing these types of details would be time consuming and a waste of limited resources for agencies preparing UWMPs. The optional landscape DMM and other landscape conservation efforts should look forward to advancing and gaining public market acceptance for the "new norm" for landscaping instead of looking backward at the landscape ordinances based on old paradigms.

DWR Review and Approval of UWMPs

DWR already provides extensive guidelines for preparation of UWMPs and conducts a review of the plans that are submitted.

Agencies submit the plans as recommended by DWR. DWR reviews and then communicates compliance of direction to achieve compliance. Non-compliance can result in sanctions, such as being ineligible for state funding. Therefore, there is no need to further specify review criteria in a new law which is more than adequately addressed through DWR guidelines. Such a mandate would add significant new costs to DWR's operations without creating any new benefits for the state's water agencies or users, or the overall goal of effective and efficient management of the state's water resources.

System Water Loss, Leak Detection and Repair

Implementation of the water loss, leak detection and repair DMM is included as a part of the DWR proposal. There is no need to include the full resulting report in the UWMP.

Concluding Remarks

In many endeavors, time and circumstances eclipse the present and we must recognize that when it occurs. SBX 7-7 and its 20% by 2020 mandate has clearly eclipsed the UWMB BMP process; if not for all water agencies, then at least for those having met or on track to meet the legally mandated conservation requirement. Any recommendation coming from the ITP should recognize this and should be couched in a voluntary or advisory context. Further, any recommendations coming from the ITP should not result in expending limited water agency resources in a manner which takes away from the ability to implement effective, creative and locally relevant water conservation programs solely for the sake of expanded record keeping and reporting.

In closing, we would like to thank you for the opportunity to comment. If you should have any questions regarding our comments, please feel free to contact us at your earliest convenience.

Sincerely;

Gary Arant
General Manager

cc: Jeff Stephenson, SDCWA